(d) what is the extent to which Indian economy has received a boost from foreign investors in India after the liberalised policy?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI RAMESHWAR THAKUR): (a) The total amount of loans taken by the Government from international agencies including IMF and World Bank works out to Rs. 3603 crores, Rs. 3625 crores and Rs. 6831 crores during 1988-89, 1989-90 and 1990-91 respectively.

(b) In the current financial year, the stance of monetary policy has been restrictive. But with the recent decline in the annual rate of inflation, the interest rates on post-shipment credit and on credit limits of over Rs.2 lakh of the scheduled commercial banks have been brought down by one percentage point. These measures would enable the banks to expand their flow of credit for production and trade in the private sector. However it remains desirable to maintain a cautious monetary policy so long as problem of inflation and adverse balance of payments exists.

(c) The Government has recently undertaken a number of structural reform measures in the spheres of trade, industry, financial and public sector. These policies are designed to increase overall efficiency and productivity by imparting dynamism and competitiveness in the system. Assuming a normal monsoon, the prospect of Indian growth during the year 1992-93 is considered to be bright.

(d) Although it is too early to expect a substantial inflow of foreign investment resulting from the liberalised policy changes, the response of the new foreign investment policy measures has been encouranging so far. The overseas investment approvals reached a peak of Rs. 522 crores during 1991 (including approvals given by the Reserve Bank of India up to December 22, 1991) as against only Rs. 128 crores during 1990.

F.E.R.A. Provisions on activities of foreign companies

1969. SHRI VITHALBHAI M. PATEL: SHRI KRISHNA KUMAR BIRLA
CHOWDHRY HARI SINGH:

Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the Reserve Bank of India has scrapped some provisions of the Foreign Exchange Regulation Act concerning control on the activities of foreign companies;

(b) if so, which are the provisions that have been scrapped and what are the reasons therefore;

(c) whether it is necessary to amend the F.E.R.A. before scrapped; and

(d) what is the expected foreign investment in terms of foreign exchange by FERA firm as a result of lifting of curbs?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI RAMESHWAR THAKUR): (a) and (b) No, Sir. However, Reserve Bank of India have recently issued Notifications removing certain restrictions on FERA companies in matters of accepting deposits or borrowing money, use of trade marks, opening of Branch offices, acquisition of immovable property etc.

(c) No, Sir.

(d) It is not possible to make an estimate of foreign investment expected as a result of liberalisations in FERA.

Appointment of Officer Nominee on Bank Boards

1970. SHRI GURUDAS DAS GUPTA: SHRI CHATURANAN MISHRA:

Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that Government have appointed officer nominee as director on the Boards of nationalised banks;

(b) if so, the names of Directors as well as of Banks;

(c) whether it is a fact that such appointments have been done in some Banks only; and

(d) if so, what are the reasons therefor and the names of the Banks where appointments have been delayed and what efforts are being made by Government to expedite the matter?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE. (SHRI DALBIR SINGH): (a) to (d) Government have appointed officer employee directors on the boards of nine nationalised banks. The names of these directors, bank-wise, are furnished below:—

Shri S.R. Sengupta	—	Bank of India
Shri S. Sudhakar Shetty	—	Canara Bank
Shri T. Ramachandra Bhat	—	Corporation Bank
Shri B.T. Ramachandra Reddy	—	Dena Bank
Shri Gulshan Paul	—	New Bank of India
Shri S.P. Bakshy	—	Oriental Bank of Commerce
Shri A.S. Krishnan	—	Punjab National Bank
Shri S. Roy Choudhury	—	UCO Bank
Shri T. Krishnaraj Bhat	—	Vijaya Bank

Government have initiated necessary steps to appoint officer employee directors on the boards of the remaining nationalised banks.

Loan Approved by Asian Development Bank

1971. SHRI SYED SIBTEY RAZI: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact the Asian Development Bank has approved record loan to India in 1991;

(b) if so, what are the details thereof with terms of such loans;

(c) whether it is also a fact that financial assistance has been provided by Asian Development Bank to various projects of different Ministries during 1991; and

(d) if so, what are the details thereof, Ministry-wise with terms of such loan?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI RAMESHWAR THAKUR): (a) Yes, Sir. Asian Development Bank's loan commitments to India during Calendar Year 1991 totalled to US $892 million and US $ 32 million for Private Sector Loans without Government Guarantees.

(b) to (d) The list of projects Ministries concerned, amounts of loans and repayment terms were given in the Statement.

Statement

	Loan / Project	Ministry	Amount in US $ million	Repayment period (Grace period)	Interest Rate
1.	Special Assistance	Petroleum & Natural Gas	150.00	20(4) years	6.58 percent per annum
2.	Second Railways	Railways	225.00	Yet to be signed	during 1.1.92 to 30.6.92
3	Gandhar Field Development	Petroleum & Natural Gas	267.00	25(4) years	(Variable Interest)
4	Hydro Carbons Sector Programme Loan	Petroleum & Natural Gas	250.00	15(3) years	rate which is refixed on half Yearly basis)
	PRIVATE SECTOR LOANS				
	CESC Ltd.		32.00	yet to be signed	

Circulation of Counterfeit Notes in the Country

1972. SHRI HARVENDRA SINGH HANSPAL: Will the Minister of FINANCE be pleased to state:

(a) whether Government are aware that there is an unprecedented increase in the circulation of the counterfeit currency notes in the country;

(b) if so, what is the total value of counterfeit currency notes seized by the R.B.I. during the last one year.